

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
LEGISLATIVE COMMITTEE**

**MEETING MINUTES
February 10, 2011**

At 5:35 P.M. Deborah Gordon called the meeting to order in the Second Floor Auditorium at the San Mateo Transit District Office.

Committee Members Attending:

Jerry Carlson (Town of Atherton)
Deborah Gordon (Town of Woodside)
Carol Groom (County of San Mateo)
Tom Kasten (Town of Hillsborough)
Art Kiesel (City of Foster City); for Linda Koelling)
Kirsten Keith (City of Menlo Park)
David Lim (City of San Mateo)
Kevin Mullin (City of South San Francisco)
Mary Ann Nihart (City of Pacifica)
Gina Papan (City of Millbrae)

Guests or Staff Attending:

Richard Napier (C/CAG Executive Director)
Jim Bigelow (Redwood City Chamber of Commerce)
David Burruto (Sen. Yee's Office)
Mark. Herschman (Assembly Member Hill' Office)
Gus Khouri (Advocation – by phone)
Joseph Kott (C/CAG Staff)

1. Public comment on items not on the agenda.

None.

2. Approval of Minutes.

Legislative Committee Minutes for the meeting of December 9, 2010 were approved by acclamation.

3. Briefing from Advocation.

The Legislative Committee received and discussed a briefing from Gus Khouri, C/CAG's advocates in Sacramento, who attended this meeting in person. The Governor's FY 2011/2012 budget proposal has been submitted to address a \$25.4 billion dollar budget deficit. \$17.2 billion of this is anticipated for FY 2011/2012 and \$8.2 billion is in the current year (FY 2010/2011) deficit. There are \$12.5 billion in cuts in the Governor's budget proposal, including \$1.7 billion from Medi-Cal, \$500 million each from the CSU System and the UC System, \$1.7 billion from the elimination of re-development agencies, as well as \$580 million from state operations and employee compensation. The Governor proposes \$12 billion in revenues, by extending existing tax rates, including the Personal Income Tax (PIT) Surcharge, PIT Dependent Exemption Credit, Sales & Use Tax, and Vehicle License Fee (VLF). In addition, the Governor proposes a realignment and devolution to the local level of certain government responsibilities, including fire and emergency response activities, court security, mental health services, and others. Some budget authority would go with this devolution, including a transfer of \$5.9 billion from the State to counties of revenues from the current 1-cent sales tax and the .50 percent Vehicle License Fee (VLF) that are currently set to expire on June 30, 2011. The Governor's intent is to bring a renewal of these taxes to the voters this coming June. Of keen interest to C/CAG, in the wake of passage of Proposition 26, the proponents of the Gas Tax Swap plan to bring the deal back to the Legislature for Reenactment.

The deadline for new bills is February 16th. The focus of both the Governor and the Legislature this year will be on ways and means to bring the State back into fiscal balance.

Gina Papan asked if the decision not to sell State buildings will change the Governor's budget plan. Gus responded that it would not. Deborah Gordon asked what the opponents of the Gas Tax Swap offer as an alternative. Gus replied that it was simply, "We've got to live within our means". Gus suggested that re-districting was weighing on the minds of many members of the Legislature, so that political calculations had to take into account the uncertain effects of that issue. Jerry Carlson noted that it was important to have an independent ridership study for high-speed rail and asked if there was recognition in the Legislature of this imperative. Gus said that there was. Mary Ann Nihart noted that the status of federal funding for high-speed rail was uncertain at the moment.

4. Legislative Priorities

C/CAG staff presented a recommendation that the C/CAG Legislative Committee

recommend to the C/CAG Board opposition to the Governor's proposal to eliminate funding for California's redevelopment agencies. Gina Papan expressed support for continuation of the redevelopment agencies. Kevin Mullen noted that these agencies were critical to the success of the Grand Boulevard Initiative (GBI) and downtown revitalization efforts generally. Art Kiesel, Mary Ann Nihart, David Lim, and Kirsten Keith all expressed support for C/AG's weighing in against the Governor's proposal. Gus Khouri noted that it was important for the Legislature to learn of redevelopment agency success stories. Carole Groom observed that jobs and tax revenue come back to areas that engage in redevelopment activities. David Lim moved and Kirsten Keith seconded a motion to recommend to the C/CAG Board that C/CAG oppose the Governor's proposal to eliminate funding for California's re-development agencies. The motion passed unanimously.

C/CAG staff presented a recommendation that the C/CAG Legislative Committee recommend to the C/CAG Board opposition to the proposal to add another representative each to the Metropolitan Transportation Commission from San Jose and Oakland. Gina Papan observed that there were too many fiefdoms in transportation. Carole Groom noted that a similar proposal made to the Air District was voted down. Tom Kasten moved and Mary Ann Nihart seconded a recommendation that the C/CAG Board oppose the proposal to add another representative each to the Metropolitan Transportation Commission from San Jose and Oakland. The motion passed unanimously.

C/CAG staff presented a recommendation to the C/CAG Legislative Committee to recommend to the C/CAG Board that staff be authorized to enter discussions with VTA on the potential continuation of high occupancy toll (HOT) lanes in each direction on Highway 101 from the San Mateo County line to Whipple. Tom Kasten moved and Jerry Carlson seconded a motion to recommend to the C/CAG Board that staff be authorized to enter discussions with VTA on the potential continuation for high occupancy toll (HOT) lanes in each direction on Highway 101 from the San Mateo County line to Whipple. The motion passed unanimously.

5. Establish Date and Time for Next Meeting.

March 10, 2010 at 5:30 PM Second Floor Auditorium at the San Mateo Transit District Office unless otherwise announced was selected.

6. Adjournment.

The meeting adjourned at 6.25 PM.